

#### COMMONWEALTH OF PUERTO RICO PUERTO RICO ENERGY COMMISSION

IN RE: INTEGRATED RESOURCE PLAN FOR THE PUERTO RICO ELECTRIC POWER AUTHORITY NO.: CEPR-AP-2015-0002

**SUBJECT:** Extension of Time for Just Cause.

#### **RESOLUTION**

On September 26, 2016, the Puerto Rico Energy Commission ("Commission") issued its Final Resolution and Order on the First Integrated Resource Plan of the Puerto Rico Electric Power Authority ("Final Resolution"). On October 13, 2016, the Puerto Rico Electric Power Authority ("PREPA"),<sup>1</sup> and PVP Properties, Inc.; Coto Laurel Solar Farm, Inc.; Windmar PV Energy, Inc.; and Windmar Renewable Energy, Inc. ("Windmar")<sup>2</sup> filed before the Commission separate motions requesting the Commission to reconsider the Final Resolution.

Pursuant to Section 3.15 of Law 170 of August 12, 1988, as amended, known as the Uniform Administrative Procedure Act ("UAPA"),<sup>3</sup> the Commission, through resolution, accepted both motions to reconsider and determined that it would issue a final determination on their merits.<sup>4</sup> With the purpose of maintaining a complete administrative record, the Commission invited intervenors in the present case to provide their opinion with respect to PREPA's motion to reconsider.<sup>5</sup> Several intervenors presented their comments to PREPA's motion to reconsider.<sup>6</sup> On the other hand, PREPA replied to their comments.<sup>7</sup>

<sup>&</sup>lt;sup>1</sup> PREPA's Verified Motion for Reconsideration of Provisions of the Final Resolution and Order, CEPR-AP-2015-0002, October 13, 2016.

 <sup>&</sup>lt;sup>2</sup> Motion for Clarification and/or to Reconsider the Final Resolution and Order on the First Integrated Resource Plan of the Puerto Rico Electric Power Authority, CEPR-AP-2015-0002, October 13, 2016.
<sup>3</sup> 3 L.P.R.A. § 2165.

<sup>&</sup>lt;sup>4</sup> See Resolution, PREPA's Motion to Reconsider the Final Resolution and Order of the First Integrated Resource Plan for the Puerto Rico Electric Power Authority, CEPR-AP-2015-0002, October 21, 2016; see also, Resolution, Windmar's Motion to Reconsider the Final Resolution and Order of the Fist Integrated Resource Plan for the Puerto Rico Electric Power Authority, CEPR-AP-2015-0002, October 26, 2016.

<sup>&</sup>lt;sup>5</sup> Resolution, *PREPA's Motion to Reconsider the Final Resolution and Order o the First Integrated Resource Plan for the Puerto Rico Electric Power Authority, supra.* 

<sup>&</sup>lt;sup>6</sup> Enlace Latino de Acción Climática-El Puente de Williamsburg, Inc. y el Comité de Diálogo Ambiental, Inc., *Oposición a Moción de Reconsideración*, CEPR-AP-2015-0002, November 2, 2016; Independent Consumer Protection Office, *Réplica en Oposición a Escrito Intitulado 'PREPA's Verified Motion for Reconsideration of Provisions of the Final Resolution and Order*, CEPR-AP-2015-0002, November 2, 2016; Instituto de Competitividad y Sostenibilidad Económica de Puerto Rico, *Comments in Opposition to Motion for Reconsideration*, CEPR-AP-2015-0002, November 3, 2016.

<sup>&</sup>lt;sup>7</sup> *PREPA's Verified Motion for Leave to Reply to Certain Intervenor Comments*, CEPR-AP-2015-0002, November 17, 2016. Said reply was accepted with the ongoing purpose of having a complete administrative record. *See* Resolution, *Moción de la AEE*, CEPR-AP-2015-0002, November 22, 2016.



To this date, the Commission is working with the final stages of the first review in twenty-seven (27) years of PREPA's electric service rates. This is a complex process, which requires a profound analysis, and the commitment of a substantial amount of resources. Moreover, as part of the rate review process, the Commission began a Technical Hearing on November 29, 2016, which is programmed until December 16, 2016. In the same manner, pursuant to Section 6.25 of Act 57-2014,<sup>8</sup> the Commission must issue its final determinations of this transcendental process on or before January 11, 2017.<sup>9</sup> For this reason, both the time as well as the majority of the Commission's resources are committed to the rate review process. It is worthy to note that the Commission's staff who will be reviewing the motions to reconsider are part of the working group in charge of managing the rate review process.

Consequently, and with the purpose of undergoing a thorough and responsible evaluation of PREPA's and Windmar's motions to reconsider, the Commission determines it is prudent to extend, by thirty (30) days the time-period to issue a final determination on both motions to reconsider, pursuant to Section 3.15 of the UAPA.<sup>10</sup> Therefore, the Commission must issue a final determination on said motions to reconsider within the term of a hundred and twenty (120) days, counted from the day they were each filed before the Commission.<sup>11</sup>

It is important to note that the determination to extend the time-period to issue a final determination on the reconsiderations does not change the fact that there is an Integrated Resource Plan ("IRP") approved by the Commission through the Final Resolution. Thus, PREPA must comply with all the provisions of the Modified IRP, as approved in the Final Resolution, which are consistent with this and the other Resolutions issued by this Commission in the present case and that are not in conflict with the arguments contained in PREPA's Motion to Reconsider.

For the benefit of all the parties involved, the Commission issues this Resolution in English and Spanish. Should any discrepancy between each version arise, the Spanish version shall prevail.

Be it notified and published.

<sup>&</sup>lt;sup>8</sup> Puerto Rico Energy Transformation and RELIEF Act, as amended.

<sup>&</sup>lt;sup>9</sup> Paragraph (f) of Section 6.25 of Act 57-2014 establishes that "[i]f the Commission does not approve or reject during the period of a hundred and eighty (180) days from the date in which the Commission notifies that it determined through resolution that PREPA's request was complete, PREPA's proposed rate will become final." The Commission determined through Resolution and Order CEPR-AP-2015-0001 of July 15, 2016 that the Rate Review Petition, presented on May 27, 2016, was complete. Therefore, the statutory term of a hundred and eighty days (180) for the Commission to issue its final determination expires on January 11, 2017. <sup>10</sup> 3 L.P.R.A. § 2165.

<sup>&</sup>lt;sup>11</sup> See Asociación de Condómines del Condominio Miramar Towers v. Meadows Development, Inc., 190 D.P.R. 843, 853 (2014). To that effect, the Supreme Court established that "the timely notification . . . of its decisions to extend the original term of ninety days did not have the effect of discounting the remaining days that remained in said term, according to section 3.15 of [UAPA], *supra*. In this manner, the period to issue a final determination of the reconsideration **increased to a total of a hundred and twenty days from that stated counting from the presentation of the motion to reconsider**. Emphasis ours.

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COMISION OF ENERGIA OF PUTRIO PICO			
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Agustín F. Carbó Lugo Chairman

Ángel R. Rivera de la Cruz Associate Commissioner

José H. Román Morales Associate Commissioner

#### CERTIFICATION

I hereby certify that the Puerto Rico Energy Commission has so agreed on December  $\underline{^{15}}$  , 2016. I also certify that a copy of this Resolution was notified by electronic mail to the ana.rodriguez@oneillborges.com, acasellas@amgprlaw.com, following: carlos.valldejuly@oneillborges.com, agraitfe@agraitlawpr.com, cfl@mcvpr.com, dortiz@elpuente.us, carlos.reyes@EcoEléctrica.com, ccf@tcmrslaw.com, epo@amgprlaw.com, jose.maeso@aae.pr.gov, edwin.quinones@aae.pr.gov, fermin.fontanes@oneillborges.com, jperez@oipc.pr.gov, codiot@oipc.pr.gov, mehernandez@fgrlaw.com, dperez@cabprlaw.com, energiaverdepr@gmail.com, felipelozada1949@gmail.com, fviejo@amgprlaw.com, hburgos@cabprlaw.com, lga@elpuente.us, lmateo@ferraiuoli.com. n-avala@aeepr.com, ivc@mcvpr.com, lionel.orama@upr.edu, mgrpcorp@gmail.com, n-vazquez@aeepr.com, rstgo2@gmail.com, victorluisgonzalez@yahoo.com, pnieves@fgrlaw.com, and valvarados@gmail.com. I further certify that on December 15, 2016, I have proceeded with the filing of this Resolution and I have sent a copy thereof to:

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#### EcoEléctrica, L.P.

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For the record, I sign this in San Juan, Puerto Rico, today, December <u>15</u>, 2016.

María del Mar Cintrón Alvarado Clerk